

Dear Public Official:

Due to a web of government regulations, many Americans are being priced out of buying or renting housing they otherwise could afford. These Americans are being denied the “American Dream”:

- Middle-income workers, such as police officers, firefighters, teachers, nurses, and other vital contributors to our society are often forced to commute long distances because they are unable to find affordable housing in the communities they serve.
- Low-income families and minorities have an especially hard time finding suitable housing, and are often forced to live in crowded and/or dilapidated housing.
- Elderly persons cannot find apartments to live in near their children; young married couples cannot find housing in the communities where they grew up.

This situation is created in part by a maze of state and local codes, processes, and regulations that delay and drive up the cost of new construction and rehabilitation. These regulatory barriers may even prohibit outright such seemingly innocuous actions as a household converting spare rooms into an accessory apartment. In some communities, this also leads to clogged roads and highways, contributes to air pollution, results in significant losses in productivity, and places unhealthy strains on families.

Therefore, in an effort to break down regulatory barriers that impede the production and availability of affordable housing, the Department of Housing and Urban Development (HUD) announced in June 2003 a Department-wide effort, “America’s Affordable Communities Initiative,” to reduce the effects of excessive barriers. HUD also has created the [Regulatory Barriers Clearinghouse](http://www.regbarriers.org) (www.regbarriers.org), a national Web-based forum that gives state and local governments the ability to share ideas and develop solutions to address unique housing challenges.

By joining together to overcome regulatory barriers to affordable housing, we can extend the “American Dream” to millions of families in communities across the nation. Working with public officials at all levels, community leaders and others, we hope to identify more accurately the problems caused by these regulatory barriers and bring solutions and success stories to the attention of those working to help more Americans find a place to call home.

At HUD, we see overcoming barriers to housing affordability as a strategy intended to complement, not substitute, our other efforts to boost the availability of affordable housing in this country. In fact, the removal of regulatory barriers is a necessary component of any national housing policy and that is why we have chosen to lead by example. Our Initiative team will carefully review all HUD rules, policies and notices of funding availability to ensure that no unnecessary barriers exist or are proposed.

To help ensure that all available measures are being taken to eliminate regulatory barriers, we are proposing to include in the notice of funding availability process a series of questions to be answered by all applicants about what their respective jurisdictions are doing to address regulatory barriers. A Federal Register notice seeking public comment concerning this proposed Secretarial priority was published late last year. In addition, the Department asked in a separate notice for public comment on HUD regulations and their impact on affordable housing. These two actions demonstrate the importance the Department places on regulatory barrier removal.

As part of this effort, HUD encourages you to conduct a public forum in your community to discuss regulatory barriers and their impact on affordable housing. The information in this brochure is designed to assist you in this effort.

More information about America’s Affordable Communities Initiative is available at www.hud.gov/affordablecommunities. HUD looks forward to working together with you on this very important endeavor.



Sincerely,

A handwritten signature in black ink that reads "Alphonso Jackson". The signature is fluid and cursive, written over a white background.

Alphonso Jackson
Acting Secretary

U.S. Department of Housing and Urban Development

Regional Directors

Regional Director

REGION I

(Connecticut, Maine, Massachusetts, New Hampshire, Rhode Island, and Vermont)

U.S. Department of Housing and Urban Development

Thomas P. O'Neill, Jr. Federal Building

10 Causeway Street, Room 301

Boston, Massachusetts 02222-1092

(617) 994-8200

Regional Director

REGION II

(New Jersey, New York)

U.S. Department of Housing and Urban Development

26 Federal Plaza - Suite 3541

New York, New York 10278-0068

(212) 264-8000 x3109

Regional Director

REGION III

(Delaware, District of Columbia, Maryland, Pennsylvania, Virginia, and West Virginia)

U.S. Department of Housing and Urban Development

The Wanamaker Building, 100 Penn Square East

Philadelphia, PA 19107-3380

(215) 656-0600

Regional Director

REGION IV

(Alabama, Florida, Georgia, Kentucky, Mississippi, North Carolina, Puerto Rico, South Carolina, and Tennessee)

U.S. Department of Housing and Urban Development

Five Points Plaza

40 Marietta Street, N.W., 2nd Floor

Atlanta, Georgia 30303-2806

(404) 331-5001

Regional Director

REGION V

(Illinois, Indiana, Michigan, Minnesota, Ohio, and Wisconsin)

Office of the Regional Director

U.S. Department of Housing and Urban Development

Ralph Metcalfe Federal Building

77 West Jackson Boulevard

Chicago, Illinois 60604-3507

(312) 353-5680

Regional Director

REGION VI

(Arkansas, Louisiana, New Mexico, Oklahoma, and Texas)

U.S. Department of Housing and Urban Development

801 Cherry Street

Fort Worth, Texas 76113-2905

(817) 978-5540

Regional Director

REGION VII

(Iowa, Kansas, Missouri, and Nebraska)

U.S. Department of Housing and Urban Development

Gateway Tower II

400 State Avenue, Room 200

Kansas City, Kansas 66101-2406

(913) 551-5462

Regional Director

REGION VIII

(Colorado, Montana, North Dakota, South Dakota, Utah, and Wyoming)

U.S. Department of Housing and Urban Development

UMB Plaza

1670 Broadway

25th Floor

Denver, Colorado 80202-4801

(303) 672-5440

Regional Director

REGION IX

(Arizona, California, Hawaii, and Nevada)

U.S. Department of Housing and Urban Development

Philip Burton Federal Building & U.S. Courthouse

450 Golden Gate Avenue

P.O. Box 36003

San Francisco, CA 94102-3448

(415) 436-6532

Regional Director

REGION X

(Alaska, Idaho, Oregon, and Washington)

U.S. Department of Housing and Urban Development

Seattle Federal Office Building

909 First Avenue, Suite 200

Seattle, Washington 98104-1000

(206) 220-5101

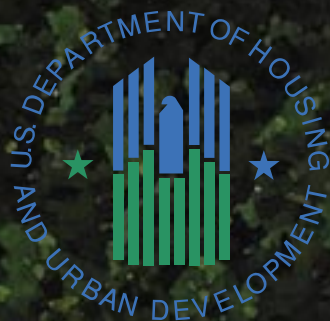


For Additional Information: www.hud.gov/affordablecommunities



America's Affordable Communities Initiative:

**Bringing Homes
Within Reach
Through
Regulatory
Reform**



America's Affordable Communities Initiative:

Bringing Homes Within Reach Through Regulatory Reform

Mission Statement

To help communities across America identify and overcome regulatory barriers that impede the availability of affordable housing. Through the removal of regulatory barriers, we will open the door to hard-working American families who want to buy or rent an affordable home in the community of their choice.

Goals:

- **Promote education on the impact of regulatory barriers on affordable housing, focusing specifically on answering the following questions:**
 - **What are regulatory barriers and how do they impact the availability of affordable housing?**
 - **Who lives in affordable housing?**
 - **What is affordable housing and what does it look like?**
 - **How does your community benefit from affordable housing?**
- **Conduct studies on regulatory barriers to affordable housing to help find solutions to the affordable housing problem in America.**
- **Partner with outside organizations to help state and local governments, as well as the general public, understand how regulatory obstacles drive up the costs of adequate, affordable housing, and can even prevent its development.**
- **Provide incentives to state and local governments to encourage the removal of barriers to affordable housing so hard-working Americans such as police officers, firefighters, nurses and teachers can find a place to call home.**
- **Change archaic thinking from “Not in my backyard” to “Why not in our community?”**

Common Regulatory Barriers And Proposed Solutions

A regulatory barrier to the development of affordable housing is a public regulatory requirement, payment or process that significantly impedes the development or availability of affordable housing without providing a commensurate health and/or safety benefit. While often motivated by good intentions, regulatory barriers may be unnecessary, duplicative or excessive. By limiting overall supply and by adding unnecessary costs, regulatory barriers impede housing rehabilitation and raise the cost of new development by up to 35 percent, effectively “pricing out” many Americans from buying or renting the kind of housing they otherwise could afford.

Common Regulatory Barriers	Potential Solutions
Duplicative or time-consuming design review processes or approval processes.	Implementing integrated single-permit reviews, utilizing one-step permitting centers, enforcing time limits on government reviews.
Out-of-date building codes that require old-fashioned, expensive materials and/or outdated construction methods that increase construction costs.	Using up-to-date model codes (eg, most recent International Code Council Code); keeping building codes up-to-date as revisions to model codes are made; adopting the model code without local amendments.
Burdensome rehabilitation codes.	Adopting a rehabilitation code that establishes different levels of rehabilitation with gradual increases in public requirements based on amount of voluntary rehabilitation.
Excessive fees that increase housing costs.	Charging fees limited to the actual costs generated by the development; basing fees on the size or value of the home; waiving fees for low-income homes.
Restrictive or exclusionary zoning ordinances that contain regulations on land use that drive up the cost of housing (eg, restricting development to large, single-family homes on large lots; prohibiting manufactured or multifamily housing; imposing disproportionate subdivision requirements).	Including in your Comprehensive Plan a “Housing Element” that estimates current and anticipated housing needs for all existing and future residents for the next 10 years, including housing for various types of income groups; having zoning ordinances and maps that provide sufficient land use and density categories to address existing and future housing needs including low-, very low-, and moderate-income housing; allowing manufactured and modular housing in residential districts where all other requirements are met.
Excessive or “gold-plated” land development standards that unnecessarily raise the cost of infrastructure.	Using reasonable land development standards that do not impose such excessive requirements as overly wide street widths and inappropriate stormwater management standards.

- **Are you seeking new ways to reduce state and local regulatory barriers to affordable housing?**
- **Have you discovered innovative strategies for overcoming these challenges?**
- **Are you interested in how other states and communities are resolving similar issues?**

If you answered yes to any of these questions, then HUD's Regulatory Barriers Clearinghouse should be one of the most relied-upon tools in your affordable housing toolbox.

HUD created this Web site to support state and local governments and others seeking information about laws, regulations and policies affecting the development, maintenance, improvement, availability and cost of affordable housing. Our searchable database offers real-world solutions that are already in place in communities throughout the nation – often with links to the enabling regulatory language. Need a fresh approach to zoning restrictions? Fees and dedications? Fair housing? Planning and growth restrictions? These are just a few of the topics covered in depth on our site.

This initiative encourages the use of the Regulatory Barriers Clearinghouse Web site for the exchange of ideas, programs and other matters pertaining to reducing regulatory barriers.

Visit the Clearinghouse today at www.regbarriers.org & sign up for the RBC listserve by e-mailing rbc@huduser.org to help make affordable housing a reality.

